RECEIVED
TELETYPE UNIT
29 SEP 95 16W 390
FEDERAL BUREAU
OF INVESTIGATION

Dep. D.'s.
ADD Adm.
ADD Inv.
Asst. D'rs
Asst. Dir.
Off. Liaison
Inspt.
Intell.
Laboratory
Legal Coun.
Off. of Public Affs.
Telephone Rm.
Director's Office

917

3844

0015 MRI 00791

OO P12 FBICG

DE FBIWMFO #0012 2731427

ZNR UUUUU

O 291426Z SEP 92

FM FBI WMFO (211-HQ-1036055) (P) (C-20)

TO DIRECTOR FBI/IMMEDIATE/

FBI CHICAGO/IMMEDIATE/

BT

UNCLAS

CITE: //3920//

PASS: FBIHQ: PUBLIC CORRUPTION UNIT, CID.

SUBJECT: CHANGED; [redacted] - PRELIMINARY INVESTIGATION, (OO: BUREAU).

TITLE MARKED "CHANGED" TO SHOW STATUS AS PRELIMINARY INVESTIGATION.

ON SEPTEMBER 23, 1992, PUBLIC INTEGRITY SECTION (PIS), DOJ, ADVISED THAT ATTORNEY GENERAL HAD APPROVED RECOMMENDATION THAT THIS MATTER BE ELEVATED FROM "THRESHOLD INQUIRY" TO "PRELIMINARY INVESTIGATION". [redacted]

b6
b7C

E-mail being sent 9/30/92 [redacted]

2-7

ON SEPTEMBER 23, 1992, WMFO FINALLY LOCATED AND INTERVIEWED CHARLES BARTLETT. BARTLETT GAVE VERSION OF EVENTS SIMILAR TO THAT OF JOHN COLEMAN WHO WAS INTERVIEWED BY CHICAGO. BARTLETT OFFERED OTHER DETAILS AS FOLLOWS:

HIS PARTNERSHIP WITH COLEMAN BEGAN ON DECEMBER 1, 1988. (BARTLETT FURNISHED COPY OF PARTNERSHIP AGREEMENT). PRIOR TO THAT TIME, COLEMAN WAS SENIOR VICE PRESIDENT FOR PAINE WEBBER IN CHICAGO WHO ALSO WAS RESPONSIBLE FOR ORGANIZING SEMINARS BEFORE FINANCIAL COMMUNITY AT WHICH VARIOUS ELECTED OFFICIALS, KEY STAFF OR OTHER DIGNITARIES WOULD SPEAK. BARTLETT WAS CONSULTANT TO PAINE WEBBER AT THIS TIME.

PAINE WEBBER "FOUND OUT" THAT THESE SEMINARS WERE COSTING TOO MUCH MONEY AND CONDUCTED AN AUDIT AT CHICAGO BRANCH OF PAINE WEBBER. BARTLETT ADVISED [redacted] WAS FOUND TO HAVE OBTAINED COLEMAN'S SIGNATURE ON A NUMBER OF BLANK CHECKS WHICH SHE THEN FILLED OUT AND DEPOSITED INTO HER PERSONAL ACCOUNTS. BARTLETT STATED THIS MATTER WAS BEING INVESTIGATED BY UNITED STATES ATTORNEY'S OFFICE IN CHICAGO AND THAT HE (BARTLETT) HAD BEEN DEPOSED ABOUT SIX MONTHS AGO.

b6
b7C

BARTLETT CONTINUED TO STATE THAT SHORTLY AFTER THIS APPARENT EMBEZZLEMENT WAS UNCOVERED, COLEMAN LEFT PAINE WEBBER

FD-302a (Rev 11-15-83)

211-HQ-1036055

Continuation of FD-302 of JOHN COLEMAN JR. , On 9/13/92 , Page 2

Since 1988, COLEMAN and BARTLETT organized approximately five seminars per year which took place at the WATERGATE HOTEL in Washington D.C. Topics covered during the seminars are decided upon by COLEMAN and BARTLETT. The selections are made from current economic and political issues receiving national news coverage. The conferences usually occurred over a twenty-four hour period and were comprised of ten to fifteen speakers from all over the country who were considered experts and influential in government and finance. For example, some of the speakers were: GEORGE BUSH (while Vice-President), Secretary of Defense DICK CHANEY, former CIA Director RICHARD [illegible], WILLIAM FRENZEL of the BROOKINGS INSTITUTION, Senator [illegible] DOLE, Representative MARTY RUSSO, and former FDIC Chairman [illegible] SEIDMAN. The audiences are predominately drawn from [illegible]'s clientele and consisted of about thirty-five to forty individuals who worked in the financial, banking, and insurance industries.

The usual fee for each attendant is $5,000.00, and some payments are made in what COLEMAN described as "soft dollars". The speakers are paid from the admission fees and newsletter subscriptions. Lecturer fees ranged between $1,500.00 and $2,500.00 depending upon the particular speaker's level of expertise and notoriety. Coleman went on to explain that fees paid to speakers are also influenced by whether the speaker is a politician in which case limitations placed on honorariums are applicable. COLEMAN stated CBWF utilized PAINE WEBBER'S bank accounts, styled PAINE WEBBER STATE STREET BANK, to handle all monetary transactions relating to the seminars from the time they began in 1988 until January, 1989 when CBWF separated itself from PAINE WEBBER. At that time, COLEMAN and BARTLETT formed their partnership, however, between January and June 1989, COLEMAN ran the finances of CBWF through his personal account at PAINE WEBBER. In June 1989, COLEMAN moved CBWF finances to his account held at NORTHERN TRUST BANK-LAKE FOREST, in Lake Forest, Illinois.

COLEMAN stated four or five conferences were held in Washington in 1989, two of which were attended by then [redacted] He acknowledged honorarium checks were given to [redacted] for speeches she gave at conferences in Washington on February 8, 1989 and May 10,1989. COLEMAN recalled paying $2,000.00 to [redacted] for each of these occasions in 1989. COLEMAN reaffirmed that the payments were

b6
b7C

[redacted]

b5
b6
b7C

BT

#0012

NNNN

FD-302 (Rev 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/15/92

JOHN COLEMAN JR., date of birth 9/1/17, 60 North Western, Lake Forest, Il. telephone (708) 234-0979 was interviewed at his residence and subsequently at his business office located at 222 East Wisconsin Avenue, Suite 115, Lake Forest, Il., telephone (708) 234-0082. After being advised of the identity of the interviewing Agents and the nature of the interview, COLEMAN provided the following information:

In January 1989, JOHN COLEMAN JR. and CHARLES BARTLETT [illegible] partners in a venture to develop intermittent and a weekly newsletter under the name of [illegible]BARTLETT'S WASHINGTON FOCUS (CBWF). Prior to 1989, [illegible] organized these seminars in conjunction with PAINE [illegible] offices located at 58 West Monroe, 36th floor, Chicago, [illegible], where he worked for approximately twenty-eight years [illegible] became a senior vice-president until his retirement on [illegible]ember 30, 1988.

COLEMAN originally came up with the idea of forming a [illegible] forum in 1982, and such stemmed from his belief that it [illegible]uld be good for his clients to meet the politicians and [illegible] experts that influence these variables which affect [illegible] made by his clientele. He solicited and received [illegible] from his long time friend CHARLES BARTLETT, who [illegible] in Washington D.C. and maintains an office at 1529 18th [illegible] Northwest, Washington. D.C. 20036, telephone number (202) [illegible]. BARTLETT and COLEMAN grew up in Chicago and were [illegible] friends. BARTLETT is a successful columnist and [illegible]ington correspondent, as well as a recipient of a Pulitzer [illegible] According to COLEMAN, BARTLETT knew a lot of people in Washington and both agreed BARTLETT would be responsible for writing their newsletter entitled COLEMAN'S/BARTLETT'S WASHINGTON FOCUS. The newsletter is currently published 50 times annually and is distributed to subscribers at a cost of $130.00 per year. It was also agreed through their partnership that BARTLETT would be responsible for calling and obtaining various speakers and COLEMAN would procure the audiences.

Investigation on 9/13/92 at Lake Forest, Il. File # 211-HO-1036055

SA JACK B. MONTOYA

by SA JAMES E. SCHANANDORE JES:bab Date dictated 9/14/92

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

AND THE PARTNERSHIP WAS FORMED.

BARTLETT FURNISHED COPIES OF MEETINGS WHERE [redacted] SPOKE AND FOR WHICH SHE RECEIVED HONORARIUM CHECKS OF FEBRUARY 8, 1989, AND MAY 10, 1989. HE ADVISED, HOWEVER, THAT HE HAD NO RECORDS REGARDING AUGUST 10 - 11, 1989 OUTING AT ONWENTSIA COUNTRY CLUB, LAKE FOREST, ILLINOIS, WHICH WAS APPARENT REASON FOR [redacted] RECEIVING SEPTEMBER 28, 1989 HONORARIUM CHECK WHICH WAS NOT ORIGINALLY LISTED ON FINANCIAL DISCLOSURE FORM WITH HOUSE OF REPRESENTATIVES. BARTLETT STATED EVENT WAS ENTIRELY "A PAINE WEBBER EVENT" WHICH IS WHY HE HAD NO RECORDS.

b6
b7C

ON SEPTEMBER 24, 1992, [redacted] ADVISED THEY HAD LOCATED "HARD COPY" OF COMPLETE 1989 SCHEDULE OF [redacted] THIS COPY WAS PROCURED FROM HOUSE OF REPRESENTATIVES PRIOR TO [redacted] LEAVING OFFICE AND THE HOUSE ERASING HER COMPUTER DATA. REVIEW OF THIS SCHEDULE SHOWS SEVERAL INCONSISTENCIES. EVENT IS CARRIED ON SCHEDULE AS "COLEMAN/BARTLETT ANNUAL CLIENT MEETING". ADDITIONAL NOTATIONS SHOW EVENT "SPONSORED BY PAINE WEBBER". CONTACT SHOWN AS [redacted]

IN PREVIOUS INTERVIEWS, [redacted] HAD SPECULATED